

**THE TOLEDO EDISON COMPANY AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022**

**THE TOLEDO EDISON COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**(UNAUDITED)**

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2023	2022
<b>REVENUES:</b>		
Electric sales	\$ 105	\$ 99
Excise and gross receipts tax collections	7	7
Total revenues	112	106
<b>OPERATING EXPENSES:</b>		
Purchased power	35	24
Other operating expenses	45	44
Provision for depreciation	12	11
Deferral of regulatory assets, net	(11)	(4)
General taxes	17	18
Total operating expenses	98	93
<b>OPERATING INCOME</b>	14	13
<b>OTHER INCOME (EXPENSE):</b>		
Miscellaneous income, net	2	3
Interest expense	(7)	(7)
Capitalized financing costs	—	1
Total other expense	(5)	(3)
<b>INCOME BEFORE INCOME TAXES</b>	9	10
<b>INCOME TAXES</b>	1	2
<b>NET INCOME</b>	\$ 8	\$ 8
<b>COMPREHENSIVE INCOME</b>	\$ 8	\$ 8

**THE TOLEDO EDISON COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**(UNAUDITED)**

<i>(In millions, except share amounts)</i>	March 31, 2023	December 31, 2022
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Restricted cash	\$ 2	\$ 3
Receivables-		
Customers	41	46
Less — Allowance for uncollectible customer receivables	4	5
	37	41
Affiliated companies	21	19
Other	11	13
Notes receivable from affiliated companies	10	62
Prepaid taxes and other	5	5
	86	143
<b>PROPERTY, PLANT AND EQUIPMENT:</b>		
In service	1,401	1,389
Less — Accumulated provision for depreciation	674	663
	727	726
Construction work in progress	21	23
	748	749
<b>DEFERRED CHARGES AND OTHER ASSETS:</b>		
Goodwill	501	501
Regulatory assets	29	18
Property taxes	28	41
Other	12	11
	570	571
<b>TOTAL ASSETS</b>	<b>\$ 1,404</b>	<b>\$ 1,463</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Currently payable long-term debt	\$ 3	\$ 3
Accounts payable-		
Affiliated companies	21	22
Other	10	13
Accrued taxes	43	41
Accrued interest	9	3
Collateral	9	37
Other	16	18
	111	137
<b>NONCURRENT LIABILITIES:</b>		
Long-term debt and other long-term obligations	450	450
Accumulated deferred income taxes, net	99	99
Retirement benefits	31	32
Property taxes	19	41
Other	141	139
	740	761
<b>TOTAL LIABILITIES</b>	<b>851</b>	<b>898</b>
<b>EQUITY:</b>		
Common stockholder's equity-		
Common stock, \$5 par value, authorized 60,000,000 shares - 29,402,054 shares outstanding	147	147
Other paid-in capital	329	329
Accumulated other comprehensive loss	(1)	(1)
Retained earnings	78	90
<b>TOTAL EQUITY</b>	<b>553</b>	<b>565</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 1,404</b>	<b>\$ 1,463</b>

**THE TOLEDO EDISON COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(UNAUDITED)**

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 8	\$ 8
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	1	8
Deferred income taxes and investment tax credits, net	(1)	1
Retirement benefits, net of payments	(1)	(2)
Change in current assets and liabilities-		
Receivables	4	(7)
Accounts payable	(4)	1
Accrued taxes	(7)	(7)
Accrued interest	6	6
Other current liabilities	(2)	(3)
Collateral, net	(28)	(1)
Other	1	(2)
Net cash provided from (used for) operating activities	(23)	2
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Capital investments	(8)	(14)
Loans to affiliated companies, net	52	38
Asset removal costs	(1)	(1)
Net cash provided from investing activities	43	23
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Redemptions and repayments-		
Long-term debt	(1)	(26)
Common stock dividend payments	(20)	—
Net cash used for financing activities	(21)	(26)
Net change in cash, cash equivalents, and restricted cash	(1)	(1)
Cash, cash equivalents, and restricted cash at beginning of period	3	3
Cash, cash equivalents, and restricted cash at end of period	\$ 2	\$ 2
<b>SUPPLEMENTAL CASH FLOW INFORMATION:</b>		
Significant non-cash transactions:		
Accrued capital investments	\$ 1	\$ 2